

Caltrans Statewide Small Business Council – Meeting Record
Lanatt Street Training Center, 3390 Lanatt St., Sacramento, CA 95819
May 20, 2016, 8:30 a.m. to 12:00 p.m.

Action/Task	Who is responsible/ presented	By when	Status
A. Meeting called to order at 8:35 a.m.	Janice Salais, Acting Assistant Director		
B. Action Items to Date – Acting Chair Janice Salais			
Action Item from previous meetings:			
ACTION ITEM #3: Acting Chair Salais to take the language on insurance requirements presented by Ms. Llewellyn to Caltrans Legal and OE for review and feedback.	Acting Chair Salais	7-15-16	ASSIGNED – work on this matter will continue with the Construction and DBE Participation Committees; update on progress at the July SBC meeting.
Action Items from the September 2014 meeting			
1. Distribute SB/DVBE study by DGS	Tanya Little	7-15-16	ASSIGNED – per Ms. Little, the report is not yet ready for distribution.
2. SB set aside program – can it be done?	Ramon Carlos	7-15-16	ASSIGNED – OBEO continues to work on this action item; OBEO has contacted and is awaiting guidance on this matter from the Federal Transportation Authority (FTA); update on progress at the July SBC meeting.
Action Items from the March 2015 meeting			
Action Item #6: develop a joint effort between Districts 1, 2, and 3 to work on DBE participation.	DSBLs in Districts 1, 2, and 3 with Council Members in those areas	7-15-16	ASSIGNED – Mario Solis, OBEO, reported events have been held in Districts 1 and 2, April 13 and April 27 respectively. District representatives provided brief reports: Cathy Hurtado, District 1: the event was very successful; 14 local businesses attended; intend to schedule more similar events. Becky Alexander, District 2: 30 firms participated; audience was diverse; majority stated it was worth their time to attend. Mr. Solis noted OBEO's conversations with Council Member Lee Cunningham has been fruitful; OBEO will be seeking to develop working relations with more partners. There will be more events to follow. Update during the July meeting.
Action Item #11: develop a presentation on DBE goal setting (focused separately on construction and A&E) to be delivered during meetings of the Construction and Professional Services Committees.	Ramon Carlos	7-15-16	ASSIGNED – Alicia Sequeira Smith, OBEO, reported a presentation focused on A&E is currently being vetted; update during the July meeting.
Action Item #12: provide updates on DVBE contract percentage requirements.	Bill Ulmer and Ramon Carlos	7-15-16	ASSIGNED – Ms. Smith reported the document is being vetted; update during the July meeting.

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Action Items from the May 2015 meeting			
Action Item #3: post the District Directors' reports presented at SBC meetings online; post reports on individual district websites or provide the link to the reports on district websites.	Ramon Carlos & Carole Ching	7-15-16	ASSIGNED – Mr. Solis stated much progress has been made to provide online resources throughout the state. Update during the July meeting.
Action Item #6: how can a non-DBE sub's procurement from a DBE supplier be counted towards a project's goal?	Ramon Carlos	7-15-16	ASSIGNED – discussion during the May meeting indicated this matter is in need of further clarification; OBEO will be working with the Commodities Committee to bring this Action Item to resolution. Update during the July meeting.
Action Item #8: contractor award process as guided by the Construction Committee.	Committee Co-Chairs Rebecca Llewellyn and Debbie Hunsaker with Ramon Carlos	7-15-16	ASSIGNED – Committee Chair, Debbie Hunsaker, reported Candace Friedman, who is heading up this project, could not attend, but progress has been made and they will be able to maintain their time line regarding deliverables. Update during the July meeting.
Action Items from the July 2015 meeting			
Action Item #1: request for training – how to get contracts with Caltrans; in-depth training specific to the process of submitting proposals – would be especially helpful for African American businesses.	Ramon Carlos	7-15-16	ASSIGNED – Mr. Solis reported OBEO is working on a training similar to the boot camp model, which they will vet with the council before implementing. Because this Action Item was first introduced in mid-2015, and through the urging of the council and Chief Deputy Director Kome Ajise, efforts will be made to make the training available before 2017. Update during the July meeting.
Action Item #3: request for a meeting involving Department of General Services (DGS), Caltrans Directors, and SBC members to discuss microbusiness (MB), small business (SB), and disabled veteran business enterprise (DVBE).	Chair Shell	7-15-16	ASSIGNED – Ms. Salais will be working with Council Member Stephan McGlover to further clarify next steps to resolving this Action Item. Update during the July meeting.
Action Item #5: examine what needs to be done to unbundle District 43 contracts.	Chair Shell	7-15-16	COMPLETED – representatives from District 43 met with the Professional Services Committee to discuss several points prepared by Committee Chair Eddy Lau. The committee agreed this matter is now closed.

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Action Item #4: explore ways to let primes know a SB or DVBE firm is a legitimate business, i.e., “gold seal of approval”.	Janice Salais and Commodities Committee	7-15-16	ASSIGNED – OBEO visited Council Member Lee Cunningham’s company in Eureka and engaged company representatives in a constructive discussion of best practices regarding utilization of SB/DVBE suppliers. A white paper is being drawn up and will be presented to the council soon. Update during the July meeting.
Action Items from the November 2015 meeting			
Action Item #1: provide the I-405 close out report.	Acting Chair Janice Salais	7-15-16	ASSIGNED – Ms. Sequeira Smith has discussed this with Linda Wright, who has assured her OBEO will receive the close out report as soon as it becomes available. Update during the July meeting.
Action Items from the January 2016 meeting			
Action Item #5: explore the possibility of holding a summit before June 30, 2016, with local agencies to discuss the State’s SB/DVBE/DBE goals.	Ramon Carlos, Acting Chair Janice Salais, Robert Padilla	7-15-16	ASSIGNED – Ms. Salais has been in discussions with Council Member Aubry Stone, who has agreed the June 30 date should be changed to December 31. Update during the July meeting.
Action Items from the March 2016 meeting			
Action Item #1: arrange for Cal-E Procurement to provide a presentation to the council during the May meeting.	Tanya Little, DGS	5-20-16	COMPLETED – Renée Alexander, DGS, provided a presentation on Cal-E Procure and discussed the agency’s roll out of the program.
Action Item #2: provide a presentation of the prime contractor training to the council.	Ramon Carlos	7-15-16	ASSIGNED – work continues on this item; update during the July meeting.
Action Items from the May 2016 meeting			
Action Item #1: provide link to the Transportation Investment Generating Economic Recovery (TIGER) for input on the application on the sustainable freight plan submitted on May 3, 2016.	Kome Ajise	5-20-16	COMPLETED – draft of the Action Plan sent to council members via email; included the link to the website for public comment through July 6, 2016.
Action Item #2: post the Cal eProcure help desk phone number on the SBC web page.	Carole Ching	7-15-16	ASSIGNED – update during the July meeting.
Action Item #3: provide council members with the link to Council Member Lynn Chen’s organization’s upcoming event in late June.	Lynn Chen	5-20-16	COMPLETED – information and relevant links sent to council members via email.

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A. Agenda review and remarks – Acting Chair Salais 1. No changes to the agenda. 2. Meeting packet review – OBEO and district reports posted on the OBEO and SBC web pages.			
B. Action Item review – refer to Action Item list, pages 1 to 3 of this meeting record.			
C. Highlights from the Director's Office – Kome Ajise, Chief Deputy Director 1. Director Dougherty sends his regards; he is in Southern California opening a major Design/Build project. 2. Revision to the state budget a. January budget has been revised. b. Caltrans will have a better picture of revenues available after the majority of income taxes have been filed. c. Current Caltrans budget stands at \$10.3 billion, a reduction of about \$155 million, which will result in lost positions and reduced spending. d. Overall, there has been a reduction of \$1.9 billion because of lower than expected tax receipts. 3. Legislature is still reviewing the three proposal packages mentioned during the March SBC meeting. 4. TIGER (Transportation Investment Generating Economic Recovery) application has been submitted. 5. California Transit Authority (CTA) – reduction in the capital improvements program has been put into effect during the CTA meeting in Stockton. Some projects might be brought back, but many will not, because there are no resources to support them. This last point is now a fact. Additionally, positions have been reduced. 6. Freight Action plan – due for submission in July; Caltrans will be working with the Air Resources Board and Governor's Office for Business and Economics; the plan will be the result of an interagency effort; link for the public to provide input will be sent to OBEO to be sent to council members via email. The intent is to get all agencies working together.			
D. District 3 Report – John Rodrigues, Deputy Director, North Region Construction, for District Director Amarjeet Benipal Refer to the District 3 reports posted on the OBEO web page. Additional comments: 1. A new District Small Business Liaison has been hired and will be participating in future SBC meetings. 2. Advertising dates indicate when projects are publicized. 3. A&E contracts – include specifications for construction. 4. Council Member Matthew Ajiake commended the clarity of the information in the reports, which he has provided to his association's constituents.			
E. District 4 Report – Bijan Sartipi, District Director Refer to the District 4 reports posted on the OBEO web page as well as the District 4 website. Additional comments: 1. CalMentor – updates included in the current edition of the SB Update. 2. Procurement fairs – the district schedules one fair every 6 months. 3. Regarding removal of a project – the impact of this action is huge; the district has had 15 projects either delayed or deleted because of the lack of supporting revenues. 4. Re: procurement fairs - Mr. Ajiake commended District 4 for the increase in volume of purchases.			
F. District 7 Report – Shirley Choate, Chief Deputy Director, for District Director Carrie Bowen			

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Refer to the District 7 reports posted on the OBEO web page. Additional comments: <ol style="list-style-type: none"> The district continues to adhere to its stance, “Go local, go regional, go state,” in its consideration of local businesses and small businesses first. Advertised projects – the district is looking for local SB to contract with. Minor B – although 100% SB utilization was the goal, the district did not attain that percentage. As a result, a specialist list is being developed to provide pertinent SB information to address short timelines and other challenges experienced. The district will continue to use the DGS database, although Ms. Choate urged SBs to review and update their listings to include strategic keywords to help in database searches. A&E – unbundled to keep projects under \$5 million. CalMentor program – still working through challenges; new guidelines have been developed and should be unveiled soon. 			
G. District 8 Report – Kevin Strough, Deputy Director, Administration, for District Director John Bulinski Refer to the District 8 reports posted on the OBEO web page.			
H. District 10 Report – Dennis Agar, District Director Refer to the District 10 reports posted on the OBEO web page. Additional comments: <ol style="list-style-type: none"> “Get Connected” – major, consistently successful event for the district. SB certification – last month, increased the number of certified firms from 784 to 860; will be monitoring the district’s certification statistics, which indicate a 40% increase in Merced. However, the foothill counties continue to be a challenge which the district is addressing. Council Member Fred Jordan asked if A&E is managed from District 6 – Mr. Agar responded, yes, District 6 is the main hub for A&E projects. 			
I. District 11 Report – Amer Bata, Deputy Director, Construction, for District Director Laurie Berman Refer to the District 11 reports posted on the OBEO web page. <ol style="list-style-type: none"> Members can also access the district reports through the District 11 website. The district is divided into north and south regions; projects are distributed accordingly. Refer to the district website to track upcoming projects. 			
J. District 1 Report – Kathy Vizguadis for District Director Charlie Fielder Refer to the District 12 reports posted on the OBEO web page.			
K. District 2 Report – Rebecca Alexander, Small Business Liaison, for District Director Dave Moore Refer to the District 2 reports posted on the OBEO web page. Additional comments: The district is in the process of rebuilding its SB program, increasing training; it is a work in progress.			
L. FHWA Update – Vincent Mammano and Lance Yokota <ol style="list-style-type: none"> FAST Act – opportunities for local firms. Gerald Desmond Bridge DBE commitment <ol style="list-style-type: none"> Mr. Mammano is a member of the executive team overseeing this project. There have been discussions with City of Long Beach to meet goal, emphasizing GFE is not good enough. At this point, GFE is being questioned by local agencies. Greater clarification on what can or cannot low bid. 			

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d. Per Ms. Choate, District 7 is now committed to working with the contractor to achieve goal.			
e. Mr. Mammano anticipates growth and improvement, and credits the council with its activism as a key factor.			
f. All parties have been learning.			
g. Re: prompt payment – the contractor is employing progressive approaches to deal with prompt payment.			
h. Re: Buy America – Mr. Mammano reiterated the focus is steel, not consulting services.			
i. Re: Gerald Desmond Bridge - per Shirley Choate, the incentive to meet goal is based on the contractor’s reputation; the contractor has also gotten the strong message from FHWA that GFE is not acceptable. Council Member Eddy Lau requested DBE participation statistics for this project – Ms. Choate responded the goal is 11%, currently at 9.5%; Ms. Choate will provide Mr. Lau with the information requested.			
M. DGS Update – Tanya Little and Renée Alexander; Ms. Alexander provided a video presentation on the DGS CalProcure Program available on their new website.			
1. Accessing contract information – do not need to be logged in to get information; DGS is also working on a single link to access contracts that are being advertised. In the meantime, DGS continues to post weekly ads in an Excel spreadsheet on the DGS website.			
2. Training video available on how to search for information.			
3. Request to post the eProcure help desk number as well as other information through links on the OBEO website.			
4. The eProcure desk team is knowledgeable about how to search the new website, and ready to work with customers.			
5. Any changes in vendor profile must be made by eProcure; vendor needs to communicate directly with eProcure.			
6. NAICS code – cannot search using NAICS.			
7. Must clear your former search in order to do a new search.			
8. Currently working on getting notifications and addresses updated so the system will be self-service.			
9. Vendor profile			
a. Certification provides an opportunity to input codes.			
b. Because Cal eProcure is a financial system, it could not move the information from BidSync into Cal eProcure.			
c. In December, Cal eProcure sent hard copy letters with a secret code plus the vendor’s FEIN, requesting the vendor come in to set up their profiles, in anticipation of the website going live in March.			
d. Currently working with outreach to get vendors to come in to update their information – analysts are available until 9:00 p.m.; vendors can also schedule appointments to go over their profiles with an analyst.			
Discussion:			
1. Ms. Cunningham noted sending letters may not have been a realistic approach to get business to respond. She added the material sent probably did not get the message across about the change in the system. It was suggested DGS ask the vendors whether they received the letter.			
2. Members pointed out most vendors are not “millennials,” methodologies used may have run into a generational challenge.			
N. Meeting record approval			
1. No corrections.			
2. Motion to approve the meeting record for March 18, 2016, Council Member Zeke Patten; motion seconded by Council Member Johnathan Hou.			
3. No discussion.			
4. The ayes have it, motion carried; the meeting record of March 18, 2016 is approved.			

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O. Committee Meeting Reports			
P. Construction Committee – Rebecca Llewellyn, Vice Chair <ol style="list-style-type: none"> 1. New members encouraged to join the committee; will also be inviting subcontractors to attend. 2. Contractor award – targeting November for the award presentation; this is a good way to encourage primes to use SBs. 3. Additional insured – discussed. 4. Supplemental payments – resistance to this has been noticed lately; suggest this should be discussed with the Caltrans Resident Engineers, because it impacts SBs greatly; noticed this is also a challenge for emergency job payments. 5. Submitting information on the 15th day of the month – does not allow enough time to gather all the information needed. 6. Code of Regulations – discussed; suggested members look at this and send their comments. 7. Other topics of discussion – material testing; sole sourcing; two-party checks; safety; line item of labor compliance. 			
Q. Local Assistance/Professional Services Committee – Eddy Lau, Chair <ol style="list-style-type: none"> 1. During the Local Assistance portion of the meeting, members of the Construction Committee joined. 2. Local Assistance audits – six have been completed this year; the committee suggested audits on larger firms. 3. District 43 representatives attending and participating in the PSC meeting – Mr. Lau thanked former Chair Shell and Acting Chair Salais for making the necessary arrangements for this to happen. <ol style="list-style-type: none"> a. Contract awards during the last three cycles – noted Caltrans has a tendency to use the same three firms over the last 19 years; the committee would like to see different companies participate. b. Unbundling to attract new A&E firms to provide services. c. Evaluation of primes, consideration for participation in the CalMentor Program. d. Continued participation on the Professional Services Committee – representative agreed to continue participating in the committee’s meetings. 4. DPAC – deal enhancement changes launched on April 18: <ol style="list-style-type: none"> a. A&E goal process to be more transparent. b. New ruling on panel composition. c. DPAC will continue to roll out the enhancement to A&E firms. d. Due date is 14 days after advertising closes. 			
R. Commodities Committee – Zeke Patten, Chair <ol style="list-style-type: none"> 1. Central Warehouse – through a joint effort between DPAC and OBEO, the committee was able to take a very productive tour of the Central Warehouse, and clarify the procurement process. <ol style="list-style-type: none"> a. This is a main Caltrans purchasing hub. b. Committee is working on increasing the number of SBs utilized by the warehouse; Prison Industry Authority (PIA) provides over 30% of purchases. c. The warehouse manages DGS and other contracts. d. Provides everything Caltrans needs and uses. e. Purchases made outside procurement fairs, a massive opportunity. f. Committee looking into how to broaden the warehouse’s database; strategic key words will be necessary. 			

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2. Committee goal update: <ol style="list-style-type: none"> Increase understanding of the Central Warehouse process and procedures – completed. “Gold seal” for DBEs and SBs – proceeding; OBEO will be putting together a white paper on its findings and discussions with Council Member Lee Cunningham, who has been spearheading this effort. Invite primes to attend committee meetings – work in progress. Increase committee membership – work in progress. 			
S. African American DBE Work Group – Eddy Lau <ol style="list-style-type: none"> Meeting scheduled for today at 1:30 p.m. at OBEO. Main topic of discussion will be the business opportunity summit in District 4 coordinated by Council Member Fred Jordan. 			
T. New Business <ol style="list-style-type: none"> Please refer to the May Action Items listed in the log on page 3 of this meeting record. Council Member Jay Shah, Construction Management Association of America, Southern California Chapter (new member) – statewide small business summit in September/October; would like Districts 7, 8, and 12 to participate; City of Los Angeles will be delivering the keynote; would also like the District Directors to come; more details soon. Council Member Stephan McGlover – reported his organization’s career day was again very successful; served over 2,500 students; 40 contractors participated; ten scholarships were awarded; Caltrans has been a longtime supporter of the event. 			
U. Public Comment – None.			
V. Meeting adjourned – meeting adjourned at 11:36 a.m.			
Next meeting: July 14 & 15, 2016, Stockton.	Carole Ching to notify SBC members with further details.	6-14-16	Emails sent to council members regarding upcoming July SBC meeting in Stockton.

DOCUMENTS included in the meeting packet and/or distributed at the meeting:

- Meeting agenda
- Draft of meeting record, March SBC meeting
- Award Tracker Report, April 2016, Office Engineer
- Report, OBEO, DBE Commitment at Award, District Summary of Federal-Aid Major Construction Contracts, 4/30/16
- Report, OBEO, Disabled Veteran Business Enterprise (DVBE) Commitment at Award, State-Funded Contracts, April 2016
- Report, OBEO, Disabled Veteran Business Enterprise (DVBE), District Summary of State Funded Contracts Commitment at Award, State Fiscal Year 2015-2016
- Report, OBEO, DBE Participation on Federally Funded Major Construction Contracts, 10/1/15 – 4/30/16
- Report, OBEO, FHWA – Federally Funded Contracts (Awarded), April 2016
- Report, OBEO, DBE Commitment at Award, Federally Funded A&E and Minor B contracts – 10/1/2015 – 04/30/16

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- Newsletter, OBEO Network, Vol. 1, Issue 4, May 2016
- District 1, SB Update; Construction Look Ahead 2016
- District 2, SB Update
- District 3, SB Update and 24-month Construction Look Ahead Report
- District 4, SB Update
- District 6, SB Update
- District 7, SB Update, 2-year Construction Look Ahead Report
- District 8, SB Update and Construction Look Ahead Reports (Projects ready to begin construction in 2016-2017 FY)
- District 9, SB Update
- District 10, SB Update and Construction Look Ahead Report
- District 11, SB Update and Construction/Maintenance Look Ahead
- District 12, SB Update and Construction Projects to Advertise in Two Years

PRESENT

Council Members:

1. Ajiake, Matthew
2. Chaudhary, Arvin
3. Chen, Lynn
4. Churchwell, Dr. Caesar (Alternate)
5. Cunningham, Lee
6. Hou, Johnathan
7. Hunsaker, Debbie (Teleconference)
8. Jordan, Frederick
9. Kim, Hongjoo
10. Kim, Jason (Teleconference)
11. Lau, Eddy
12. Llewellyn, Rebecca
13. McGlover, Stephen (Teleconference)
14. Ortiz, Leonard

15. Patten, Zeke
16. Rogers, Wanda (Alternate)
17. Shah, Jay
18. Shoemake, Ken
19. Zabrycki, Lydia (Alternate)

Caltrans Staff:

1. Salais, Janice, Acting Assistant Director, OBEO & Acting Council Chair
2. Ajise, Kome, Chief Deputy Director
3. Agar, Dennis, District 10
4. Alexander, Rebecca, District 2 (Teleconference)
5. Azima, Cindy, District 12
6. Bata, Amer, District 11
7. Ching, Carole, OBEO
8. Choate, Shirley, District 7

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9. Dorn, Damon, OBEO
10. Elkins, Susan, District 3
11. Embree, Rob, District 3
12. Gongora, Michelle, District 11 (Teleconference)
13. Isola, Mariann, OBEO
14. King, Elsa, District 7 (Teleconference)
15. Madden, Linda (Teledonverence)
16. Maloney, Pat, Construction
17. Miglino, Marylee, OBEO
18. Morris, Esther, DPAC (Teleconference)
19. Olson, Kimberley, Construction
20. Padilla, Robert, Local Assistance
21. Rodrigues, John, District 3
22. Sartipi, Bijan, District 4
23. Sequeira-Smith, Alicia, OBEO
24. Shell, Angela, DPAC
25. Solis, Mario, OBEO
26. Strough, Kevin, District 8
27. Vizguadis, Kathie, District 1
28. Yergenson, Denise, District 2
29. Zhang, Ray, Local Assistance

Guests:

1. Alexander, Renee, DGS
2. Little, Tanya, DGS
3. Mammano, Vincent, FHWA
4. Rozumowitz, Becky, Area West
5. Yokota, Lance, FHWA